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*E. S. Young & Co.*

## ANNUAL REPORT

OF THE

BOARD OF DIRECTORS

OF THE

LEHIGH VALLEY RAILROAD COMPANY

TO THE

STOCKHOLDERS.

JANUARY 21st, 1873.

PHILADELPHIA:

WM. F. MURPHY'S SONS, PRINTERS.

1873.



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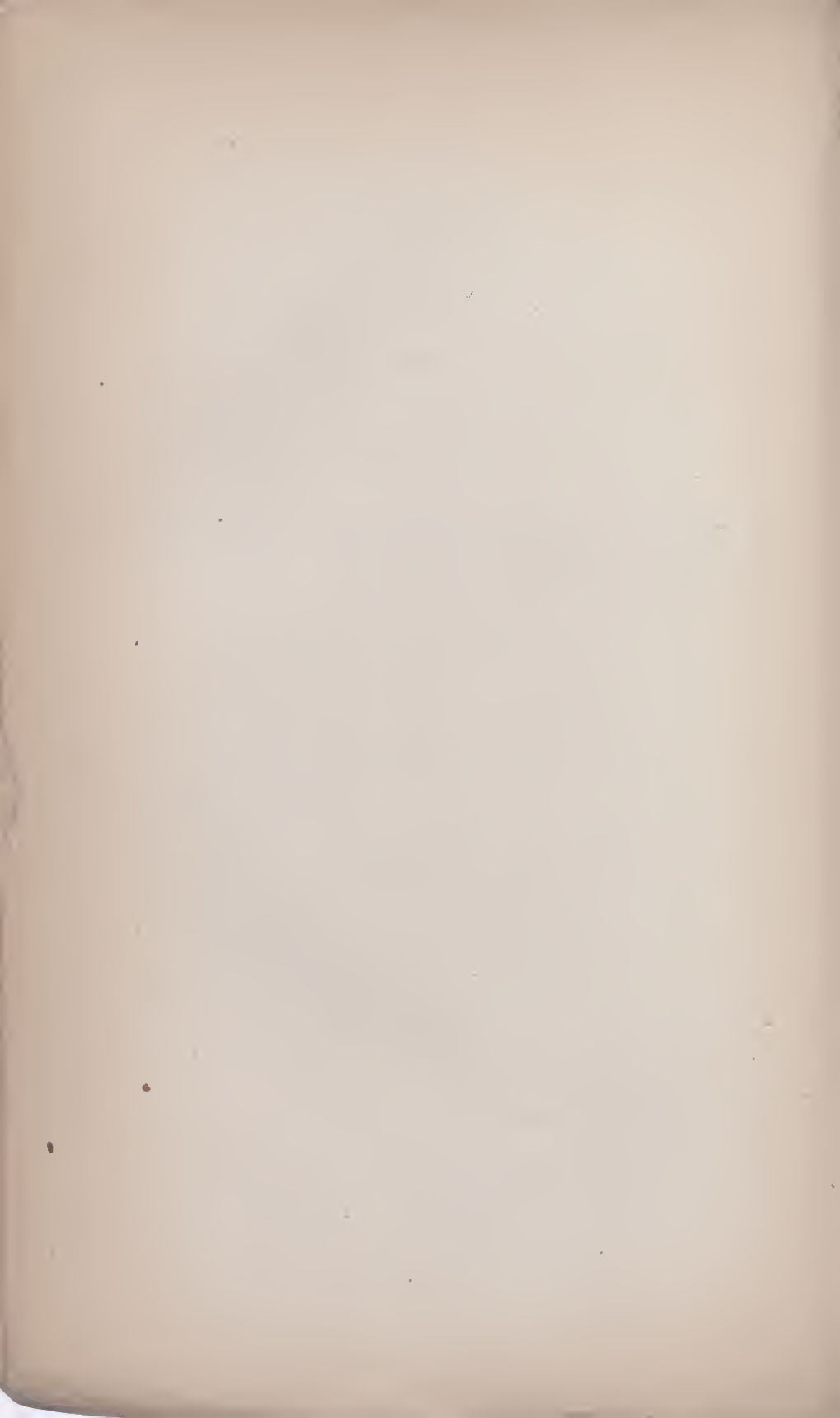
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# OFFICERS

OF THE

## Lehigh Valley Railroad Company,

JANUARY 21st, 1873.

*President,*

ASA PACKER.

*Vice-President,*

CHARLES HARTSHORNE.

*Treasurer,*

LLOYD CHAMBERLAIN.

*Secretary,*

JOHN R. FANSHAW.

*General Superintendent and Chief Engineer,*

ROBERT H. SAYRE.

*Directors,*

CHARLES HARTSHORNE,  
WILLIAM W. LONGSTRETH,  
J. GILLINGHAM FELL,  
JOHN TAYLOR JOHNSTON,  
WILLIAM H. GATZMER,  
DAVID THOMAS,

ASHBEL WELCH,  
ARIO PARDEE,  
WILLIAM L. CONYNGHAM,  
WILLIAM A. INGHAM,  
JOSEPH WHARTON,  
GEORGE B. MARKLE.



# ANNUAL REPORT

## LEHIGH VALLEY RAILROAD COMPANY.

JANUARY 21st, 1873.

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THE business of the past year has been without any great fluctuations, and has shown a satisfactory increase.

The anthracite coal tonnage

For 1871 was, . . . . .	2,781,509 tons.
“ 1872, . . . . .	3,850,118 “
Being an excess of . . . . .	1,068,609 “

In addition to this we carried 27,601 tons of bituminous coal, making a total coal tonnage of 3,877,179 tons.

The details of this and of our other business will be found in the accompanying report of the Superintendent and Engineer.

The receipts from all sources (including Interest from Investments, Income from Coal Lands, &c., &c.), amounted to . .	\$6,434,915 29
Operating Expenses of the Road, . . . . .	3,869,686 98
NET INCOME, . . . . .	\$2,565,228 31

The bonds of the Hazleton Coal Company became due on October 15th last, and were paid with the exception of three thousand dollars not yet presented, but which bear no interest from that date.

Of the old Lehigh Valley Railroad Co. Bonds, due May 1st, 1873, we paid during our last fiscal year \$199,000, and have since then redeemed \$28,000.

We are prepared to exchange for those now outstanding, at par, our six per cent. registered bonds (free from taxes) at ninety-five per cent., without interest in either case. The latter will become first mortgage bonds as soon as the former are paid and the mortgage satisfied. The amount of new six per cent. bonds now remaining unissued is \$920,000.

It having become evident to the Board that a considerable increase of our capital would be necessary to enable us to protect our trade, and furnish the facilities required, especially in opening additional avenues to tide-water, a resolution was adopted in March last authorizing a distribution of new stock to the stockholders, in the proportion of one share for every three shares then held, payable in cash at par, either at once or in instalments. Under this resolution the stock was all subscribed for, and 66,204 shares were paid in full up to the close of the year, and on the remainder the instalments as they became due.

At the close of our fiscal year (November 30th, 1872), our capital account was as follows:

Preferred and Common Stocks (429,376 shares), . . . . .	\$21,468,800 00
Scrip for Instalments Received, . . . . .	700,830 00
Hazleton Coal Co. Bonds (over due), . . . . .	3,000 00
Bonds due in 1873, . . . . .	703,000 00
Six per cent. Bonds (Coupon and Registered), due in 1898, . . . . .	4,048,000 00
Seven per cent. Registered Bonds, due in 1910, . . . . .	5,000,000 00
Floating Debt, less cash on hand, none.	.
<b>TOTAL, . . . . .</b>	<b>\$31,923,630 00</b>

The usual quarterly dividends, amounting to ten per cent. per annum, have been paid on the preferred and common stocks.

In continuation of the policy announced in our last report,



of providing an independent outlet to tide-water, a charter was obtained last winter from the Legislature of New Jersey for the Bound Brook and Easton Railroad Company, with authority to build a railroad from Easton to Bound Brook, which Company, by an act passed later in the session, was consolidated with the Perth Amboy and Bound Brook Railroad Company, under the name of the Easton and Amboy Railroad Company. The stock of the consolidated company was taken by us, and its interests are now identical with those of the Lehigh Valley Railroad Company. A careful survey of the whole line from Phillipsburg, the present eastern terminus of our line, to Perth Amboy, has been made, and all the heavier parts of the work put under contract, so that we hope to have the road in operation some time during next year. The amount expended upon it, at the close of our fiscal year, was about \$550,000, a considerable portion of which was for right of way.

We obtained possession of our new office in Philadelphia in May last, and are able to conduct our business with much greater convenience to our stockholders, and all others interested. Having no present use for the offices on the first floor, they have been rented to the Lehigh Coal and Navigation Company for a term of five years.

The annual meetings of several other companies taking place at the same time as that of this Company, under the general railroad law of this State, thus preventing many of our stockholders from attending, we obtained a supplement to our charter in April last fixing the date of our meeting on the third Tuesday in January. This act was approved by a Special meeting of the stockholders held June 25th.

Our interests in coal lands have been increased during the year by the purchase of the tract known as the Delano lands, and comprising 5800 acres, situated in Schuylkill County, near Mahanoy City. There are on this tract ten collieries, and our machine shop, engine house, and dwellings, known as Delano, were built upon the property. The consideration

given was \$2,000,000, payable \$100,000 in cash, and \$1,900,000 in bonds of the Delano Land Company, to be indorsed by the Lehigh Valley Railroad Company.

The Board also directed the indorsement by this Company of \$400,000 of the second mortgage bonds of the Southern Central Railroad Company of New York, to aid them in furnishing facilities for our trade.

The trade of the Pennsylvania and New York Canal and Railroad Company has increased more largely than in any previous year, and as its northern connections are being extended, we have reason to anticipate a continued growth of business from that source. For particulars of the operations of that Company, we refer to their report published herewith.

During the past year the Board has lost by death two of its most valued members. The first in order of his decease was Mr. Edward H. Trotter, who died at his residence at Chestnut Hill on the 3d day of May, in the 57th year of his age. Cut off after a few days' illness, his friends were not aware of his critical condition until the word came that he was dying. In the fulness of his usefulness, his judgment ripened by experience and controlled by a wisely regulated temper, his advice was valued on all important occasions. The various interests in this city with which he was connected, feel that they have been deprived of one whose place it is difficult to fill. The second death was that of Mr. Edward Roberts, who died November 3d, aged 72 years. His advanced age and the state of his health for the past two years admonished his friends that his tenure of life was uncertain; but up to the last, with occasional interruptions, we had the benefit of his advice and experience, the latter of which had been varied, especially in the matter of coal formation and the business connected with coal transportation. His acute knowledge, his habits of industry and the personal investigation which he was willing to bestow on matters brought to his attention, made his opinions of great value. It may be said of both Messrs. Trotter

and Roberts that their integrity as Directors was of that kind which gives to a Corporation a guarantee that its interest will not be impaired in their hands.

The vacancies caused by their death were filled by the Board by the election of Messrs. Joseph Wharton, of Philadelphia, and George B. Markle, of Hazleton.

By order of the Board.

ASA PACKER,  
President.

OFFICE OF THE  
Superintendent and Engineer L. V. R. R. Co.,

BETHLEHEM, PENNA.,

NOVEMBER 30, 1872.

HON. ASA PACKER,

President L. V. R. R. Co.

DEAR SIR: The following report of the business of the Lehigh Valley Railroad, for the fiscal year ending November 30th, 1872, is respectfully submitted.

The total amount of anthracite coal transported over the main line and branches was 3,850,118 tons.

This coal was derived from the following sources:—

FROM	1871.	1872.	INCREASE AND DECREASE.
<i>Wyoming</i> Mahanoy Region, . . . . .	474,878	508,933	34,055
Hazleton Region, . . . . .	1,317,821	2,192,877	875,056
Upper Lehigh Region, . . . . .	2,343	3,090	747
Beaver Meadow Region, . . . . .	480,436	756,564	276,128
Mahanoy, . . . . .	498,123	385,971	* 112,152 "
Mauch Chunk, . . . . .	7,888	2,683	* 5,205
Sullivan & Erie, . . . . .	20		* 20
TOTALS, . . . . .	2,781,509	3,850,118	1,068,609

\* Decrease.

This coal was delivered as follows :

WHERE DELIVERED.	1871.	1872.	INCREASE AND DECREASE.
At Mauch Chunk, . . . . .	1,348	2,292	944
On line of Road above Mc. Chunk,	12,498	15,998	3,505
Atandab. M. Ck. for use of L. V. R. R.	50,632	58,225	7,593
To N. Cen. R. R. at Mt. Carmel, .	4,766	2,664	* 2,102
Cata. R. R. at Quakake Junction, .		9,668	9,668
D. H. & W. R. R. at Tomhicken, .		30,854	30,854
L. & S. Div. C. R. R. at P. H. for canal,	209,734	229,374	19,640
“ “ “ “ “ rail,	95	4,012	3,917
“ “ “ “ Packerton,	7,189	13,775	6,586
L. C. & Nav. Co., at M. C. for canal,	81,125	123,192	42,067
On line of road below Mc. Chunk,	559,296	781,236	221,940
“ “ use of L. V. R. R.,	29,258	46,997	17,739
To East Penna. R. R., . . . . .	5,521	6,683	1,162
To North “ “ . . . . .	171,814	263,152	91,338
Morris Canal at Port Delaware, .	202,153	227,285	25,132
Bel. Delaware R. R., . . . . .	525,837	837,233	311,396
Central R. R. of N. J., . . . . .	541,567	572,771	31,204
Morris & Essex R. R., . . . . .	174,826	274,038	99,212
Penna. & N. Y. R. R., . . . . .	203,855	350,669	146,814
Total by Canal, . . . . .	290,859	352,566	61,707
“ “ Rail, . . . . .	2,490,650	3,497,552	1,006,902
GRAND TOTAL, . . . . .	2,781,509	3,850,118	1,068,609

The low price at which anthracite coal has been sold and transported during the past year, has induced an increase in its consumption, in consequence of which the production has exceeded that of any previous year.

We have transported a fair proportion of the increase, although at reduced rates.

Should there be a corresponding increase for a year or two more, the total consumption will so nearly equal the full capacity of the mines for production, as to render unnecessary all attempts to regulate or control the trade.

The great demand, and the high prices obtained for pig iron,

\* Decrease.



have had the effect to increase the production of furnaces already in blast, and to induce the erection of others.

One additional stack has been put in blast by the Allentown Iron Co., one by the Coleraine Iron Co., and one by the Lehigh Iron Co.; two more will be completed in the spring by the Thomas Iron Co., and one by the Northampton Iron Co.; the Bethlehem Iron Co. have commenced two new stacks, and will have their new rolling-mill so far completed as to enable them to commence the manufacture of steel rails early in the summer.

Our local coal tonnage has felt the favorable effects of the increased production of iron, and is larger than ever before, with the prospect of a still further increase, upon the completion of the Iron works above mentioned.

*Tons of anthracite coal carried one mile.*

FROM	1871.	1872.	INCREASE AND DECREASE.
Wyoming Region, . . . . .	14,057,076	9,680,289	* 4,376,787
Hazleton " . . . . .	29,051,433	49,356,635	20,305,202
Beaver Meadow Region, . . . .	10,935,489	17,247,371	6,311,882
Mahanoy " . . . . .	18,016,163	13,763,407	* 4,252,756
Sullivan and Erie " . . . . .	1,300		* 1,300
Total above Mauch Chunk, . . .	72,061,461	90,047,702	17,986,241
" below " " . . . .	89,665,089	121,891,792	32,226,703
GRAND TOTAL,	161,726,550	211,939,494	50,212,944

The number of tons of coal transported one mile was 31.04 per cent. greater, but the average price received per mile was  $\frac{275}{1000}$  of a cent less than last year, so that the receipts from that source show an increase of only 563,262.75 or 15.27 per cent. During the same period there were transported 967,850 passengers, equal to 14,843,285 carried one mile, being an increase over the previous year of 100,579, equal to 1,431,221 carried one mile, or an increase of 10.67 per cent.

\* Decrease.

The rates, however, being reduced to meet competition gave an average of  $\frac{33}{100}$  of a cent per passenger per mile less than last year, or an actual reduction in receipts from passengers alone of \$2,608.64, but including an increase from Mail Express, &c., the total passenger train receipts show a gain of \$4,454.06. Miscellaneous freight transported amounted to 1,995,472.47 tons, equal to 62,994,751.70 tons one mile, being an increase over the previous year of 421,726.65 tons, equal to 9,828,778.88 tons one mile, or an increase of 18.49 per cent. The average rate per ton per mile was 2 cents against 2.14 last year, or a reduction of 6.54 per cent.

The increase in receipts was on this account only \$124,508.02 or 10.94 per cent. The following is a statement of the receipts from transportation, and the expenses of conducting the business, including all general expenses, taxes, &c.

FROM TRANSPORTATION OF	GROSS RECEIPTS.	EXPENSES.	NET RECEIPTS.
Coal, . . . . .	\$4,250,729 58	\$2,784,244 65	\$1,466,484 93
Freight, . . . . .	1,262,709 15	774,177 75	488,531 40
Passenger, Express, and Mail, .	469,510 75	311,264 58	158,246 17
Total, . . . . .	\$5,982,949 48	\$3,869,686 98	\$2,113,262 50
1871, . . . . .	5,290,724 65	3,462,029 78	1,828,694 87
INCREASE, . . . . .	\$692,224 83	\$407,657 20	\$284,567 63
Increase per cent., . . .	13.08	11.77	15.56

It will be seen that while the increase in the number of tons of coal transported one mile has been 31.04 per cent., the total expenses of conducting the business have increased but 11.77 per cent.

Each branch of our transportation has been much heavier the past year than in 1871, but the rates having been lower the re-

ceipts do not show a corresponding increase. Had the rates of 1871 prevailed in 1872 we should have added to our receipts,

From Coal transportation, . . . .	\$582,833 60
“ Passenger “ . . . .	48,982 84
“ Freight “ . . . .	88,192 65
Or a total of . . . .	<u>\$720,009 09</u>

There are now in use, including all Divisions of the Road and Branches, 89.35 miles of double track, and 144.03 miles of single track, in addition to which there are 12.87 miles of double track laid but used as sidings, and 120.48 miles of sidings, making the whole length of track laid 456.08 miles, being an increase during the year of 15.82 miles.

The second track has been built and is now used between Sugar Notch and South Wilkesbarre, a distance of 2.80 miles, being an extension on that division of 2.45 miles.

Branch roads have been built as follows:—

#### ON MAHANOEY DIVISION.

Lost Creek Branch, . . . . . 1.84 miles.

#### ON HAZLETON DIVISION.

New Branch and Sidings to East Sugar Loaf Breaker, No. 5, . .	.80	“
“ “ “ Jeddo Breaker, No. 4, . . . . .	1.00	“
“ “ “ Lattimer, No. 2, . . . . .	.95	“
New Sidings at Tomhicken and Conyngham, . . . . .	.85	“
“ “ at and near Hazleton, . . . . .	.69	“
“ “ Ebervale and Drifton, . . . . .	.26	“
Branch to East Sugar Loaf, Nos. 2 and 3, purchased from G. B. Linderman & Co., . . . . .	4.21	“
Increase of sidings on B. M. Division, . . . . .	.62	“
“ “ Mahanoy “ . . . . .	.19	“
“ “ Eastern “ . . . . .	2.81	“
	<u>16.67</u>	“
Less Fowler and Huhn's Branch, taken up, . . . . .	.85	“
TOTAL INCREASE, . . . . .	<u>15.82</u>	“



There are also on the main line and all the branches 7.19 miles of grading completed and ready for the track, as follows:

Eastern Division, . . . . .	.60 miles.
Wyoming Division, . . . . .	5.53 "
Beaver Meadow Division, . . . . .	.20 "
Mahanoy Division, . . . . .	.86 "
<b>TOTAL, . . . . .</b>	<b>7.19 "</b>

The following materials were used for repairs and construction :

DIVISION.	STEEL RAILS.	IRON RAILS.	SWITCH FRAMES	FROGS.	CROSS TIES.	SPLICES.	KEGS OF SPIKES.
Eastern, . . . . .	1,770	5,133	37	86	103,008	6,885	498
Wyoming, . . . . .	7,349	1,920	9	41	68,288	6,678	323
Hazleton, . . . . .	493	3,278	59	53	49,964	3,194	381
Beaver Meadow, . . . . .	1,732	1,934	9	32	20,181	3,404	154
Mahanoy, . . . . .		1,578	7	41	33,198	1,307	179
<b>TOTAL, . . . . .</b>	<b>11,344</b>	<b>13,843</b>	<b>121</b>	<b>253</b>	<b>274,639</b>	<b>21,468</b>	<b>1,535</b>
P. N. Y. R. R.— Wilkesbarre to L. and B. Junction, . . . . .		1,072	7	14	19,186	1,070	63

There were charged to *Expenses* the following items:

Iron and Steel Rails, . . . . .	\$450,284 71
New Joint Plates, . . . . .	30,416 67
Frogs, Switches, Spikes, Bolts, &c., . . . . .	67,755 05
Bridges, . . . . .	21,228 89
Water Tanks, . . . . .	26,081 46
Station Houses, . . . . .	9,279 39
Shop Tools and Machinery, . . . . .	25,745 86
Engine Houses and Shops, . . . . .	18,746 58

The total charges to *Construction account*, for the past year, are :

Branch to Philadelphia Coal Company's Colliery, . . . . .	\$18,926 30
Branch to Lattimer, . . . . .	6,927 77
Bal. Black Creek Branch, . . . . .	26,588 12
Wyoming Division, Second Track, . . . . .	20,819 56
Mahanoy " Side Tracks, . . . . .	2,912 33
Wyoming " " " . . . . .	3,221 09
Beaver Meadow Division, Side Tracks, . . . . .	3,012 89
Stockton Branches (purchased), . . . . .	16,661 88
Mahanoy Division, Second Track, . . . . .	1,306 53
Other Branches, . . . . .	4,152 17
	<hr/> \$104,528 64

#### RAILS.

The steel rails laid on Beaver Meadow Division in May, 1864, present much the same appearance as at last report. We have relaid track during the year with steel rails and have now in use as follows:—

	ON LAST REPORT.	RELAID THIS YEAR.	TOTAL NOW IN USE.
On Eastern Division, . . . . .	44.08	4.12	48.20
" Wyoming " . . . . .	8.70	20 50	29.20
" Beaver Meadow Division, . . . . .	10.01	4.31	14.32
" Hazleton Division, . . . . .		1.40	1.40
 TOTAL MILES,	 62.79	 30.33	 93.12

#### TELEGRAPH.

During the year we have put up an additional telegraph wire from Bethlehem to Paekerton, 34 miles, making a thorough circuit from Philadelphia to Wilkesbarre and Waverly, in connection with the wires previously reported from Philadelphia

to Bethlehem, and from Packerton to Wilkesbarre, and with the second wire on P. N. Y. R. R. from Wilkesbarre to Waverly.

We have also erected a new line from Hazelton to Tomhicken, 9 miles. The telegraph line now in use on our road is as follows:—

NO. OF WIRE.	FROM	DISTANCE.
1	Easton to Mauch Chunk, . . . . .	Miles. 46.
2	Packerton to Wilkesbarre, . . . . .	56.5
3	“ Mt. Carmel Loops, . . . . .	83.5
4	Wilkesbarre to Philadelphia, . . . . .	144.
5	Hazleton to Tomhicken, . . . . .	9.
6	At Easton, connecting several depots, . . . . .	2.
	TOTAL, . . . . .	341.
	On last report, . . . . .	298.
	Increase, . . . . .	43.

#### BUILDINGS.

The brick freight house at Easton, 93 by 37 feet, commenced last year, has been completed. A new two-story boiler shop of brick, 90 by 50 feet, has been built at South Easton. An addition of 16 by 20 feet has been made to the depot at Centralia.

Old water stations have been replaced by new ones at Bethlehem, east Mauch Chunk, Stony Creek, Hickory Run, Penn Haven, Weatherly and Ebervale, and two new stand-pipes erected at Bethlehem.

At Weatherly a new dam has been built, and 360 feet of 4 inch cast iron pipe laid. 7,500 feet of new cast iron pipe have been laid at Packerton, varying in size from 10 to 6 inches; a new dam is to be built, which it is believed will, with this new pipe, under a head of 100 feet, give an ample supply, which was much needed at that place for the road and shops, employees' houses, &c., and for use in case of fire.

New water stations have been built at Raven Run and Mt. Carmel. Two iron truss bridges for double track, each 43 feet in length, have been built in place of the old timber bridges near Hartz Station on Mahanoy Division.

### EQUIPMENT.

Our locomotive Equipment has increased during the year as follows :—

Engines purchased, . . . . .	6
“ built at our own shops, . . . . .	6
Total, . . . . .	12
Less engines Orinoco and Paraguay, condemned, . . . . .	2
Increase, . . . . .	10

We have increased our stock of cars of different kinds as follows :

Passenger Cars, . . . . .	4
Baggage and Express Cars, . . . . .	4
Wreck and Tool Cars, . . . . .	1
Eight-wheel Caboose Cars, . . . . .	4
“ Gondola Cars, . . . . .	64
Coal cars (four-wheel), . . . . .	1642

Our equipment is now as follows :

Engines of all classes, . . . . .	181
Passenger Cars, . . . . .	44
Baggage and Express Cars, . . . . .	25
Gravel Cars, . . . . .	69
Wreck and Tool Cars, . . . . .	9
Four-wheel Platform Cars, . . . . .	13
“ Caboose Cars, . . . . .	2
Eight-wheel “ “ . . . . .	16
House Cars, . . . . .	200
Eight-wheel Platform Cars, . . . . .	386
“ Gondola “ . . . . .	214
Six-wheel Platform “ . . . . .	100
Lime Cars, . . . . .	44
Coal Cars (rated as four-wheel), . . . . .	15,696

The necessity for a tide outlet for the coal tonnage of our road becoming each year more pressing, the required authority was obtained during the last session of the legislature of New Jersey to enable us, in connection with a charter previously secured, to build a railroad from Phillipsburg to Perth Amboy, and the necessary surveys having been made to determine the route, active measures were taken early in April, and six of the heaviest sections, including a tunnel nearly a mile in length, were put under contract on the 17th of April, to be completed by April 1st, 1874. In August twenty-five of the heavier of the remaining sections were let and work commenced thereon, the light work to be begun at such time as will enable us to complete the whole simultaneously.

The line leaving Phillipsburg follows the general direction of the Central Rail Road of New Jersey to near Valley station, crossing the valleys of Lopatecong and Pohatecong on iron viaducts, and the Musconetcong on an earth embankment, with two stone arches of 32 feet span for the creek. Near Valley station the road will penetrate the mountain with a tunnel 5000 feet in length to Patenburgh, thence down a tributary of the South Branch of the Raritan to the river near Hamden, leaving Clinton about two miles to the north; thence following the South Branch, crossing and recrossing to secure the best grades, alignment and lowest cost of construction, leaving Flemington about two miles to the south; thence to Neshanic, where it crosses the river, and a mile beyond crosses the South Branch R. R. over grade; thence to Flagtown, and by a tangent of about  $8\frac{3}{4}$  miles to Bound Brook, crossing the main stream about  $2\frac{1}{2}$  miles west of Bound Brook.

At the last-named place our road will be close to the Central R. R.; thence running nearly parallel for about three miles the line bears southwardly through New Market to Metuchen, where we will cross the New Jersey R. R. under grade; thence to the crossing of State Street in the city of Perth Amboy, between which point and the shore it is proposed to put in the necessary tracks for stand room, trestlings, shipping fixtures, &c.



The entire length of line from Phillipsburg to the docks will be 60 miles, or about 104 miles from Packerton, where our coal trains are made up for destination.

The grade of the road will be 22 feet per mile ascending from Phillipsburg for 11.5 miles to the tunnel, attaining an elevation of 471 feet above tide; through the tunnel just sufficient grade to effect drainage; then descending 2 miles at the rate of 37 feet per mile; then 4.6 miles at 47 feet per mile to the South Branch of the Raritan 170 feet above tide; thence down the river to near Bound Brook 23 miles, with grade varying from level to 13.2 feet per mile; thence ascending 4.5 feet per mile for 14.5 miles; thence level and descending, about 3 miles, to Perth Amboy.

The alignment of the road will be very good. There are three curves of 5 degrees and five of 4 degrees, the remainder being 3 degrees and under. 25.4 per cent. of the line is in curves, and 74.6 per cent. in tangents, varying from 1000 feet to  $8\frac{3}{4}$  miles in length.

At the east end of the tunnel the open cut was so far completed as to permit the heading of the tunnel to be commenced about the first of August, and at this date 200 feet have been driven. The approach at the western end being heavy, we have sunk a slope 285 feet long, at an angle of 30 degrees, to the level of the heading of the tunnel, striking it about 900 feet from the west end. The headings will be driven both ways from the foot of the slope, and at this date 20 feet have been driven toward the east heading.

Machinery is being introduced as rapidly as it can be provided, and it is expected that early the coming year there will be sufficient at work to warrant the completion of the tunnel by April 1st, 1874.

The tunnel, bridging, masonry and rock cuts will be built for double track.

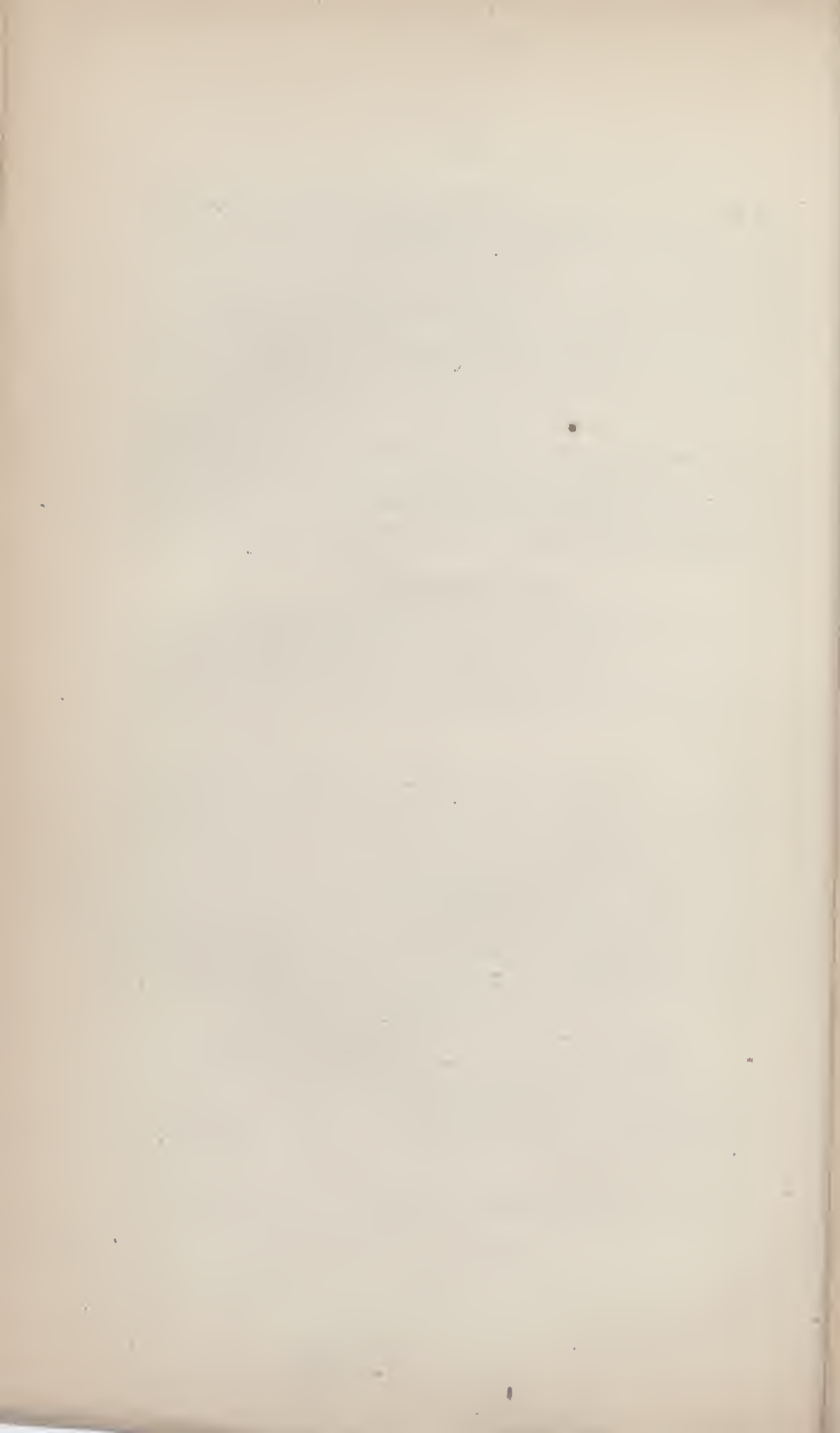
Work is progressing favorably at all points, and there are now employed upon the line, in addition to a large number of men and horses, four steam excavators and three locomotives. 365,000 cubic yards of material have been moved and 7500 yards of masonry built. Over half a million of dollars have been expended in right of way, graduation and masonry, and it is our intention to press the work vigorously to an early completion.

My thanks are due to the Assistant General Superintendent, Division Superintendents, Principal Assistant Engineer, and heads of departments and employees generally, for the zeal and fidelity with which they have discharged the duties devolving upon them.

Very respectfully,

ROBT. H. SAYRE,

Superintendent and Engineer.





# REPORT

OF THE

PENNSYLVANIA AND NEW YORK CANAL AND  
RAILROAD COMPANY.

OFFICERS  
OF THE  
Pennsylvania and New York Canal and Railroad Co.

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*President,*

ROBERT H. SAYRE.

*Treasurer,*

CHARLES HARTSHORNE.

*General Superintendent,*

ROBERT A. PACKER.

*Directors,*

ASA PACKER,  
WM. W. LONGSTRETH,  
CHAS. HARTSHORNE,  
ROBERT A. PACKER,  
VICTOR E. PIOLLET,  
GARRETT B. LINDERMAN,

J. HENRY SWOYER,  
JOHN J. TAYLOR,  
ROBERT LOCKHART,  
JNO. W. HOLLENBACK,  
WM. H. SAYRE,  
JOSEPH WHARTON.

# REPORT.

TO THE STOCKHOLDERS OF THE PENNSYLVANIA  
AND NEW YORK CANAL AND RAILROAD COMPANY.

THE business of our road continues to increase annually, and must continue so to do as outlets are provided for the distribution of coal and the ingathering of the products of farms and forests.

The earnings for the year ending November 30, have been,

	RAILROAD.	CANAL.
Coal Transportation, . . . . .	\$999,052 69	\$2,805 08
Freight " . . . . .	399,477 57	
Passenger, Express, and Mail, . . . . .	183,051 64	
Sullivan and Erie R. R., . . . . .	25,628 57	
Miscellaneous, . . . . .	1,076 50	
<b>TOTAL, . . . . .</b>	<b>\$1,608,286 97</b>	<b>\$2,805 08</b>
Expenses, . . . . .	1,171,151 83	28,422 56
<b>NET EARNINGS, . . . .</b>	<b>\$437,135 14</b>	<b>*\$25,617 48</b>
<b>TOTAL NET EARNINGS,</b>	<b>\$411,517 66</b>	

Against which has been charged :

Interest on Bonds, . . . . .	\$200,105 88	
U. S. State and Local Taxes, . . . . .	35,064 36	\$235,170 24
Leaving balance applicable to dividend fund, . . . . .		\$176,347 42
Add surplus of last year, . . . . .		23,818 54
<b>Total dividend fund, . . . . .</b>		<b>\$200,165 96</b>

\* Loss.

To which has been charged a dividend of  $2\frac{1}{2}$  per cent. on preferred stock up to April 1st, 1871, amounting to \$50,000. Balance carried to credit of profit and loss account.

The earnings from coal transportation show an increase of \$209,643.92, or 26.46 per cent.; from freight transportation, an increase of \$84,495.63, or 26.83 per cent.; from passenger, express, mail, and miscellaneous, \$36,517.79, or 21.08 per cent.—a total increase of \$330,657.34, or 25.82 per cent.

The total of anthracite coal transported by rail during the year, the sources of supply, and amount from each region, are shown by the following statement:

FROM	1871.	1872.	INCREASE.
Wyoming Region, . .	300,777.08	521,019.12	220,242.04
Hazleton " . .	1,750.18	8,131.08	6,380.10
Beaver Meadow " . .	30.12	622.08	591.16
Mahoney " . .		31.01	31.01
Sullivan & Erie Region,	8,881.05	51,133.07	42,252.02
TOTAL TONS,	311,440.03	580,937.16	269,497.13

Total of anthracite and bituminous by rail:

	1871	1872.	INCREASE.
Anthracite, . . . .	311,440.03	580,937.16	269,497.13
Bituminous, . . . .	328,658.02	336,555.02	7,897.00
TOTAL TONS,	640,098.05	917,492.18	277,394.13

In addition to which there were 90,547 tons of anthracite transported on our canal a short distance, and cleared South at Wilkesbarre.

The tonnage was distributed as follows:

DELIVERED	ANTHRACITE.	BITUMINOUS.
On line of road, . . . . .	24,500.03	1,587.16
To Southern Central R. R., . . . . .	110,739.03	31,633.10
" Ithaca and Athens R. R., . . . . .	90,670.10	120.03
" Laeka. and Bloomsburg R. R., . . . . .	1,100.04	
" Lehigh Valley R. R., . . . . .	40,001.05	1,220 08
" Erie R., for transfer, . . . . .	250,944.18	301,993.05
" points on third rail between Waverly and Elmira, . . . . .	38,872.11	
For use of Company, . . . . .	24,109.02	
TOTAL TONS, . . . .	580,937.16	336,555.13

Our anthracite tonnage has been very much restricted by the want of an adequate and regular supply of cars on the Erie Railway, and the great scarcity of boats and vessels, and the consequent extraordinary high rates of freight by both canal and lake. The law of supply and demand will, we trust, remedy these evils in time, and we anticipate an improvement in this direction during the coming year.

The bituminous tonnage will not be largely increased until the Carbon Creek mines, now in process of being opened, are fully developed.

The total length of track now laid and in use, including branch tracks, second track and sidings, is 156.83 miles (including 1.67 miles of sidings at Waverly and Elmira), of which 9.5 miles have been laid during the year.

The second track between Towanda and Waverly is becoming more necessary each day, and considerable work has been done toward accomplishing this necessary improvement. The second track has been laid, and is in use, between Athens and Waverly Junction, and the grading for three miles additional is finished. Work upon the remainder will be commenced

upon the opening of spring, and prosecuted to completion as early as our means and facilities will permit.

Our equipment has been increased during the year by the purchase of six ten-wheel locomotives from Wm. Mason, and one six-wheel connected switching engine, built by the L. V. R. R. Co.

100	Eight-wheel Gondola cars.	
25	"	Stock "
2	"	Caboose "
1	"	Derrick "

And we have built at Waverly repair shops two eight-wheel and one four-wheel caboose cars, and twenty stock cars altered to house cars.

Our rolling stock is now as follows:

18	Locomotives.	
2	Passenger cars.	
207	Gondola	"
131	Box	"
50	Stock	"
781	Four-wheel Coal cars.	
31	Gravel	"
18	Caboose	"
2	Derrick	"

And a supply of hand cars and small trucks for the repairs of the road. Twenty stock cars are under contract. Our supply of box cars is entirely inadequate for the largely increased traffic coming to us at Waverly, and at least two hundred additional should be provided to meet the demands of the fall trade.

During the past season the trestlings at Wysauking and Barclay Junction have been filled with earth. Water-tanks have been built at Towanda and Meshoppen, two new dwelling houses at Towanda for track men, and a large boarding-house at Coxton for the train men. Also a passenger-house and freight-house at Lackawanna Junction.



A passenger-house has been built at Southern Central and Ithaca and Athens Junction, by the owner of lands in the vicinity, for the use of the several roads. An iron turn-table has been put in at Southern Central Junction, and a round-house, having accommodations for sixteen engines, is well under way. A similar round-house has been erected at Wilkesbarre, and a machine and blacksmith shop are under roof. Our bridges were thoroughly overhauled, repaired, and painted during the past summer, and these, as well as the track, are in excellent order.

By the terms of an act passed by the Legislature of Pennsylvania, and approved by the Governor on the 2d of April, 1872, this Company was relieved from any and every obligation to maintain their canal for purposes of navigation, provided that the portion between the Feeder Dam on the Lackawanna River and Northampton Street, Wilkesbarre, shall be kept in repair so long as it may be necessary to feed the canal between Wilkesbarre and Nanticoke Dam. The facilities for improving the location of our road, rendered available by the abandonment of the canal, will be valuable in permitting us to improve the alignment and grades, to dispense with a number of bridges, and affording ground upon which to construct additional tracks as they may become necessary for our increasing business.

Our improvements at Buffalo have been indispensable to us, but various causes have prevented the investment paying interest. As facilities are improved for increasing our shipments of coal to Buffalo, we hope the road and docks will be self-sustaining.

It will be seen by reference to the distribution of coal, that both the Southern Central and the Ithaca and Athens roads have increased their facilities, but the great scarcity of boats at Ithaca and Weedsport, and of vessels at Fair Haven, together with the delays and embarrassments incident to opening up new channels of trade, have had the effect to prevent so large

a tonnage to those roads as we anticipated. The completion of the Cayuga Lake Shore road now well advanced between Ithaca and Cayuga, and the completion of contemplated improvements at Fair Haven, will have a favorable effect towards increasing our tonnage.

I learn from officers of the Erie Railway Company that they design laying a third rail from Elmira to Corning, and from Attica to Buffalo, and narrowing the gauge of their road between Corning and Attica and the branch to Rochester. This will, if done, give us an unbroken gauge from the mines to Rochester and Buffalo, and enable us to send our own cars through in case of scarcity on the Erie road. It will also relieve us from the transfer at Waverly of a large amount of freight and the delay of cars incident thereto; in fact it is indispensable that we have a narrow gauge to Buffalo, either *via* the Erie or otherwise.

From the Sullivan and Erie road we have received over 51,000 tons of coal besides freight and passengers. Our company have continued to operate the road and have received therefor the sum of \$25,628.57.

The Schraeder Mining and Manufacturing Company have leased a portion of their coal lands on Carbon Creek. The mines are being opened, and a railroad connecting them with the Barclay R. R. is under construction, and a considerable increase to our bituminous tonnage may be expected next year.

The track of the Montrose R. R. has been laid to Springville, but is not yet in order for running trains regularly over it. It will be completed to Montrose early in the spring.

Col. Charles F. Welles, first President of our Company, and a Director at the time of his death, died suddenly of disease of the heart, October 9th, while attending a meeting of the Board of Directors of the Southern Central R. R. Co., of which he was a member. When the canals of this State were sold, Col.



Welles and associates became the purchasers of that portion extending from Wilkesbarre to the State line. He was elected President of the Company formed to operate the canal, but finding it an unprofitable improvement, and having obtained an act authorizing the building of a railroad along and upon the towing-path, he then being the owner of nearly the entire stock, sold the canal to Asa Paeker, agreeing to take in part payment stock of the new company to be formed. A company was formed under the act, Mr. Paeker transferred his purchase to them, and Col. Welles was elected President, which position he held until the railroad was finished and its prosperity assured. His ambition was to see a railroad completed up the valley of the Susquehanna and its extensions through to the Lake; in this he labored until his death. He was an ardent, energetic business man, a good citizen, and a warm friend.

By order of the Board,

ROBERT H. SAYRE

President.

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## SUPPLEMENTARY.

BETHLEHEM, January 9, 1873.

It becomes our sad duty to announce the death of Mr. Thomas Desmond, Assistant Superintendent of this Road, which occurred Sunday evening, January 5th. Mr. Desmond came upon the Lehigh Valley Railroad at an early day in the capacity of a brakeman on coal train. By his close attention to his duties, his indomitable perseverance and active energy, he rose to the position of conductor of passenger train, where he remained until the death of Superintendent Cox, when he was appointed Assistant Superintendent of this Company, which position he filled with honor to himself and the entire satisfaction of our Company. As a practical working railroad man he had few equals. Our Company have lost an invaluable officer and the community a good citizen.

# RECEIPTS FROM PASSENGER TRANSPORTATION

FOR YEAR ENDING NOVEMBER 30, 1872.

FROM	1871.		1872.	
	No. of Passengers.	AMOUNT.	No. of Passengers.	AMOUNT.
Elmira Station, } On Erie Railway,	8,385½	\$9,967 26	11,180½	\$11,614 74
Wellsburg, " } 3d rail.	226½	212 48	403	340 51
Chemung, " }	242½	169 97	366½	263 42
Waverly " . . . . .	14,073	9,573 49	12,461½	8,621 11
Athens " . . . . .	12,890½	4,972 70	15,744	5,538 94
Ulster " . . . . .	6,632	2,453 94	5,522	2,106 26
Towanda " . . . . .	31,282	21,940 11	27,581	20,896 93
Lower " " . . . . .			552	343 89
Wysauking " . . . . .	2,537	1,610 33	2,440½	1,735 06
Wyalusing " . . . . .	8,442	5,328 64	7,126½	5,048 49
Laceyville " . . . . .	5,737½	2,924 58	4,983½	2,835 39
Skinner's Eddy Station, . . . .	3,976½	1,764 61	4,024½	1,935 72
Meshoppen " . . . . .	9,069½	3,948 80	7,926	4,171 12
Mehoopany " . . . . .	6,788½	2,608 66	5,237	2,707 04
Tunkhannock " . . . . .	16,142	7,658 44	15,559	8,161 04
Falls " . . . . .	3,674	1,513 75	3,508½	1,452 59
Lacka. Junction " . . . . .			2,015	2,642 20
Lehigh Valley R. R., . . . . .	14,586	16,419 62	14,423½	17,695 10
Central R. R. of New Jersey, . .	542½	905 77	703	1,252 99
Dela. Lacka. & W. R. R., . . .	30	54 14	30	59 68
North Penna. R. R., . . . . .	1,004½	2,440 39	1,333½	2,945 66
Philada. & Reading R. R., . . .	40	58 08	116	172 94
Southern Central R. R., . . . .	2,528½	1,357 67	4,486½	3,244 09
Ithaca & Athens R. R., . . . .			2,451½	1,108 16
Erie Railway, . . . . .	6,851½	13,293 68	8,469½	16,783 80
Michigan Central R. R., . . . .	23½	63 95	471	762 49
Milwaukee & St. Paul R. R., . .	3	2 23	3	6 00
Phila. Wilm. & Balt. R. R., . . .	8	15 84	66	176 62
Atlantic and Gt. Western R. R., .	19	47 70	100	202 12
Northern Central Railway, . . . .	49	38 50	88	70 40
Great Western Railway, . . . . .			213	364 39
Illinois Central R. R., . . . . .			12½	24 67
Hannibal & St. Joseph R. R., . .			57	87 91
Flint & Pere Marquette R. R., . .			12	26 43
Central Pacific R. R., . . . . .			7	14 00
Conductors' Receipts, . . . . .	27,649½	16,857 78	25,351½	14,356 64
Mileage Tickets, . . . . .		16,575 73		12,586 03
Excursion " . . . . .	3,576	4,034 42	5,283	2,795 92
Military " . . . . .	109	55 48	1	40
Joint Line Business, . . . . .		235 90		3,382 74
Extra Baggage, . . . . .		45 82		31 15
Transportation of Milk, . . . . .		1,153 99		
Express and Mail, . . . . .		14,400 82		17,026 17
L. V. R. R. Co. for Transportation of Passengers between Wilkesbarre and L. & B. Junction, . . . .		7,929 65		7,460 69
TOTALS, . . . . .	187,119	\$172,634 92	190,309½	\$183,051 64

## FREIGHT TRANSPORTATION

FOR YEAR ENDING NOV. 30, 1872.

DESCRIPTION.	1871.		1872.	
	TONS.	AMOUNT.	TONS.	AMOUNT.
Lumber, . . . . .	32,064.83	\$46,620 00	39,925.30	\$54,564 14
Pig Iron, . . . . .	3,198.49	5,663 25	4,773.36	7,533 31
Iron Ore, . . . . .	7,628.00	10,407 60	230.00	300 70
Railroad Iron, . . . . .	10,860.61	15,585 35	12,314.11	16,753 12
Lime, . . . . .	961.94	1,412 83	937.57	1,410 54
Flag and Building Stone, . .	6,733.34	6,186 64	10,597.00	8,599 29
Miscellaneous, . . . . .	115,402.82	219,257 75	145,075.64	271,612 11
Mileage, . . . . .		26,081 06		26,220 26
Milk, . . . . .				2,584 87
Trackage from Towanda Coal Co. "Merchandise," . . .	771.00	158 49	1,271.41	254 27
Received from Lehigh Valley R. R. Co., for transportation Freight betw'n Wilkesbarre and L. & B. Junction, . .		9,214 12		9,644 96
TOTALS, . . . .	177,621.03	\$340,587 09	215,124.39	\$399,477 57
Company's Material, . . . .	8,504.70	\$15,175 30	5,405.94	\$10,243 17

# DETAILS OF COAL RECEIVED

FOR YEAR ENDING NOVEMBER 30, 1872.

## FROM WYOMING REGION.

COLLIERY.	Tons, 1871.	Tons, 1872.
Warrior Run, . . . . .	2,440.01	618.12
Franklin, . . . . .	12,889.09	39,500.17
Hillman & Son, . . . . .	7,671.19	21,008.04
Wyoming—H. C. & I. Co., . . . . .	23,784.19	35,369.00
Henry—L. C. & I. Co., . . . . .	15,829.04	28,288.01
Burrough's L. C. & I. Co., . . . . .	4,567.17	17,183.08
Enterprise—H. C. & I. Co., . . . . .	14,935.16	55,017.00
Pleasant Valley—H. C. & I. Co., . . . . .	27,330.10	20,664.12
Thompkins, . . . . .	19,226.09	16,108.19
Maryland, . . . . .	8,470.11	16,861.00
Butler, . . . . .	41,500.15	27,230.03
Seneca, { P. & E. C. Co., } . . . . .	8,617.10	25,465.14
Ravine, { P. & E. C. Co., } . . . . .	106.04	1,822.05
Twins, { P. & E. C. Co., } . . . . .	398.12	1,208.15
Rock Hill, . . . . .	11,678.00	15,008.02
Columbia, . . . . .		871.05
W. B. C. & I. Co., . . . . .	13,540.08	2,715.13
North Col.—W. B. & S. L. C. Co., . . . . .	16,799.16	39,687.12
Ontario—L. C. & I. Co., . . . . .	7,330.05	43,808.17
Pleasant Valley H. C. & I. Co. (South), . . . . .		39,969.01
Paxton, . . . . .	2,293.10	477.14
Chauncey, . . . . .	12,893.04	18,156.19
Reynolds, . . . . .	130.12	113.13
Gaylord—E. L. H., . . . . .	36,723.06	223.06
Morgan—Kingston, . . . . .	634.04	781.10
Consumers, . . . . .	1,253.15	34,212.13
Hutchinson, . . . . .		9,865.18
Maltby, . . . . .	1,961.11	5,066.05
Gaylord—W. B. C. & I. Co., . . . . .		3,714.14
Rough and Ready, . . . . .	56.02	
New England, . . . . .	4,660.00	
Nottingham, . . . . .	136.06	
Van Horn, . . . . .	187.15	
West Pittston—L. C. & I. Co., . . . . .	2,378.14	
Mocanaque, . . . . .	315.04	
Other shippers, . . . . .	35.00	
TOTALS, . . . . .	300,777.08	521,019.12

## FROM HAZLETON REGION.

COLLIERY.	Tons, 1871.	Tons, 1872.
Mt. Pleasant, . . . . .	11.03	11.17
A. Pardee & Co., . . . . .	67.02	696.13
Linderman—S. & Co., . . . . .	90.05	3,559.12
Stout Coal Co., . . . . .		298.15
Harleigh, . . . . .	40.19	1,665.03
Ebervale, . . . . .	937.01	1,440.11
Jeddo, . . . . .	583.19	436.05
Buck Mountain, . . . . .		22.12
Highland, . . . . .	20.09	
TOTALS, . . . . .	1,750.18	8,131.08

## FROM BEAVER MEADOW DIVISION.

COLLIERY.	Tons, 1871.	Tons, 1872.
Spring Brook, . . . . .	30.12	29.13
Honey Brook, . . . . .		445.03
Beaver Brook, . . . . .		79.04
B. M. C. Co., No. 2, . . . . .		68.08
TOTALS, . . . . .	30.12	622.08

## FROM MAHANOEY REGION.

COLLIERY.	Tons, 1871.	Tons, 1872.
McNeal, Nos. 1 and 2, . . . . .		31.01

## FROM SULLIVAN AND ERIE REGION.

COLLIERY.	Tons, 1871.	Tons, 1872.
S. A. Coal Co., . . . . .	8,881.05	51,133.07

## SUMMARY.

REGION.	Tons, 1871.	Tons, 1872.
Wyoming, . . . . .	300,777.08	521,019.12
Hazleton, . . . . .	1,750.18	8,131.08
Beaver Meadow, . . . . .	30.12	622.08
Mahanoy, . . . . .		31.01
Sullivan and Erie, . . . . .	8,881.05	51,133.07
GRAND TOTAL, . . . . .	311,440.03	580,937.16

# STATEMENT

## SHOWING DISTRIBUTION OF ANTHRACITE COAL,

*Received during the Year ending November 30, 1872.*

DESTINATION.	Tons, 1871.	Tons, 1872.
Coxton, . . . . .		56.19
Ransom, . . . . .		36.18
Falls, . . . . .	208.17	548.03
La Grange, . . . . .	102.12	91.02
Tunkhannock, . . . . .	3,009.14	4,293.03
Vosburg, . . . . .	87.08	95.05
Mehoopany, . . . . .	726.04	1,108.10
Meshoppen, . . . . .	1,376.18	1,549.07
Black Walnut, . . . . .	9.19	169.19
Skinner's Eddy, . . . . .	395.06	471.13
Laceyville, . . . . .	322.13	1,082.18
Sugar Run, . . . . .	5.00	154.13
Wyalusing, . . . . .	561.02	988.14
Frenchtown, . . . . .		200.19
Standing Stone, . . . . .	100.07	405.10
Wysauking, . . . . .	433.16	871.00
Towanda, . . . . .	2,454.16	4,511.06
Ulster, . . . . .	259.18	428.11
Milan, . . . . .	182.13	339.10
Athens, . . . . .	1,638.01	2,241.03
Waverly, . . . . .	3,026.12	4,855.00
Through, . . . . .	282,974.05	532,328.11
For Company's use, . . . . .	13,564.02	24,109.02
TOTALS, . . . . .	311,440.03	580,937.16





